



CITY OF MOUNTAIN VIEW

BUDGETING 101 AND CITY SERVICES

Presented by

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Patty Kong, Finance & Admin. Services Dir.

Purpose

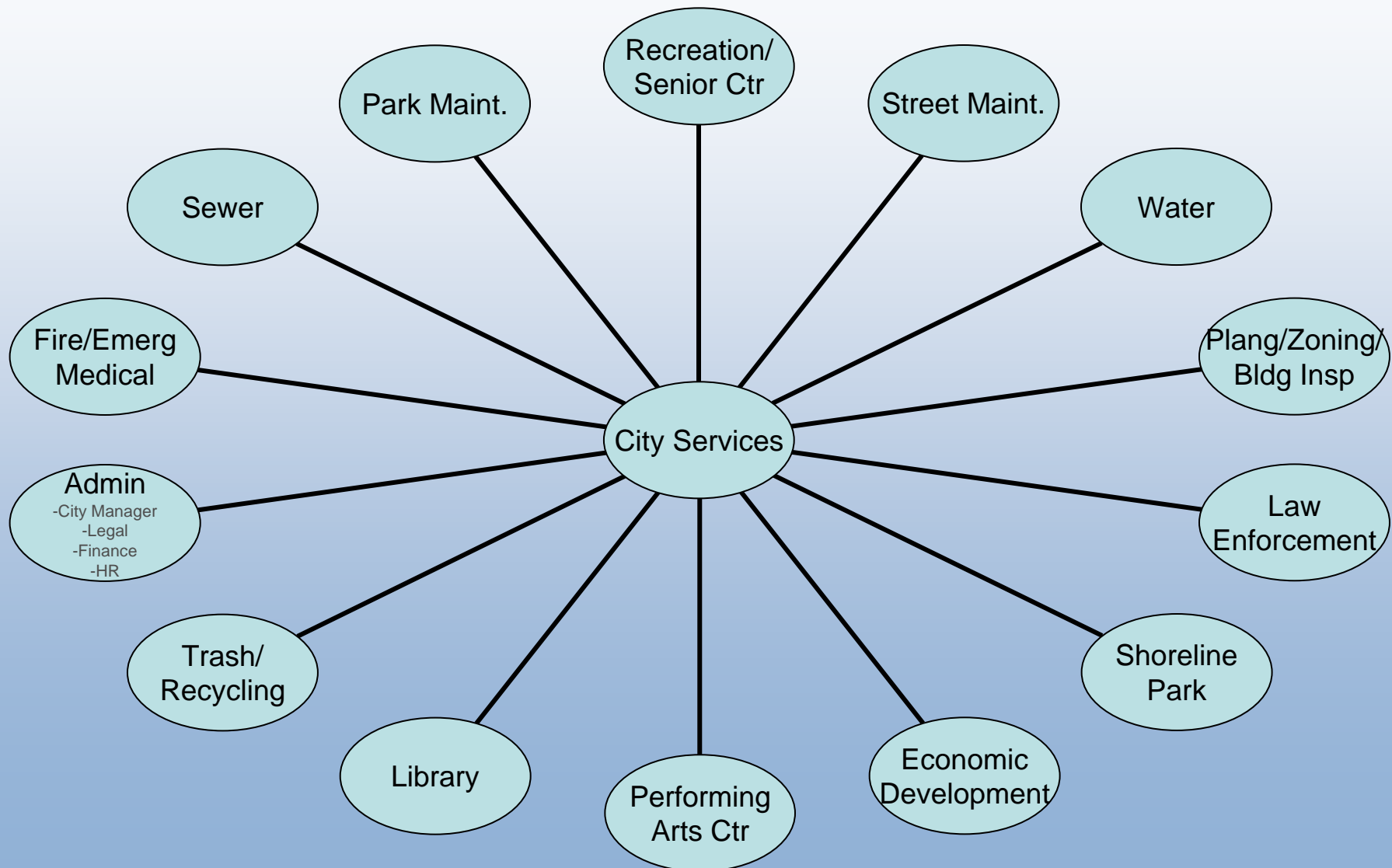
WHAT:

- Overview of the City organization and the services provided
- Summary review of financial structure
- Understanding of City's budgeting process

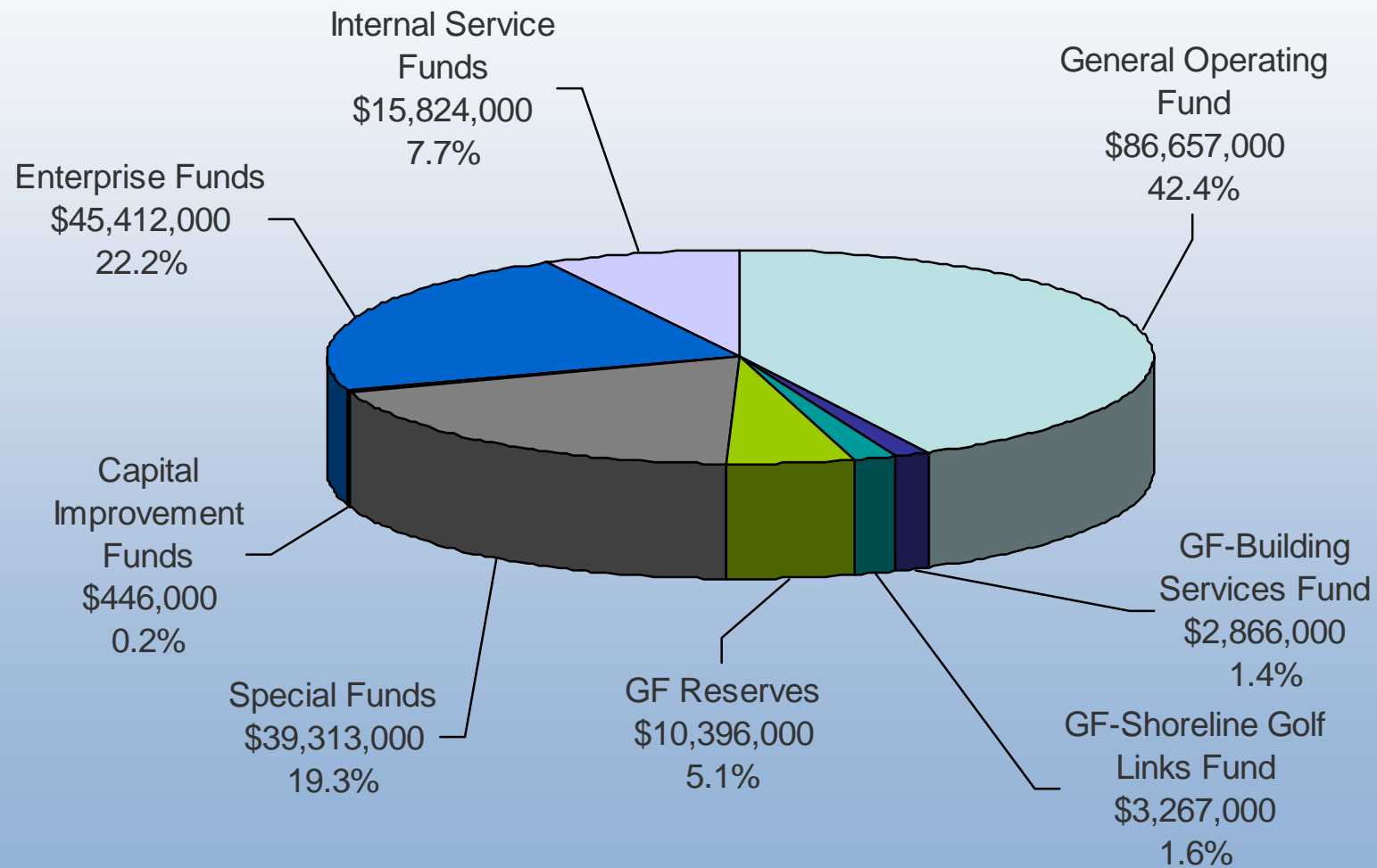
WHY:

- Very challenging financial times
- Budget decision making for FY10-11
- Potentially much tougher choices
- Increased public awareness of the financial challenge and potential impacts

City Services

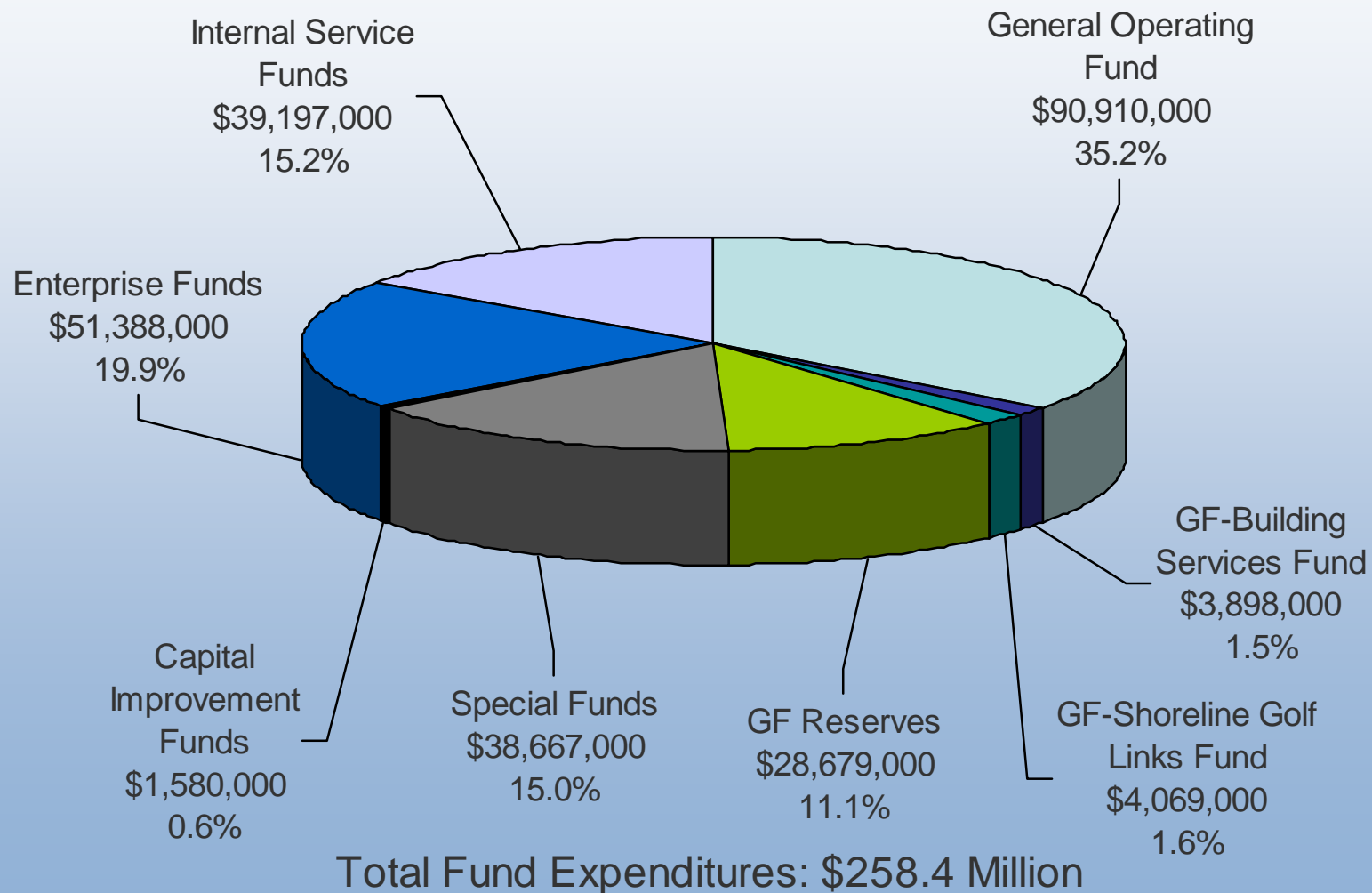


Total City Revenue for FY09-10 (All Funds)

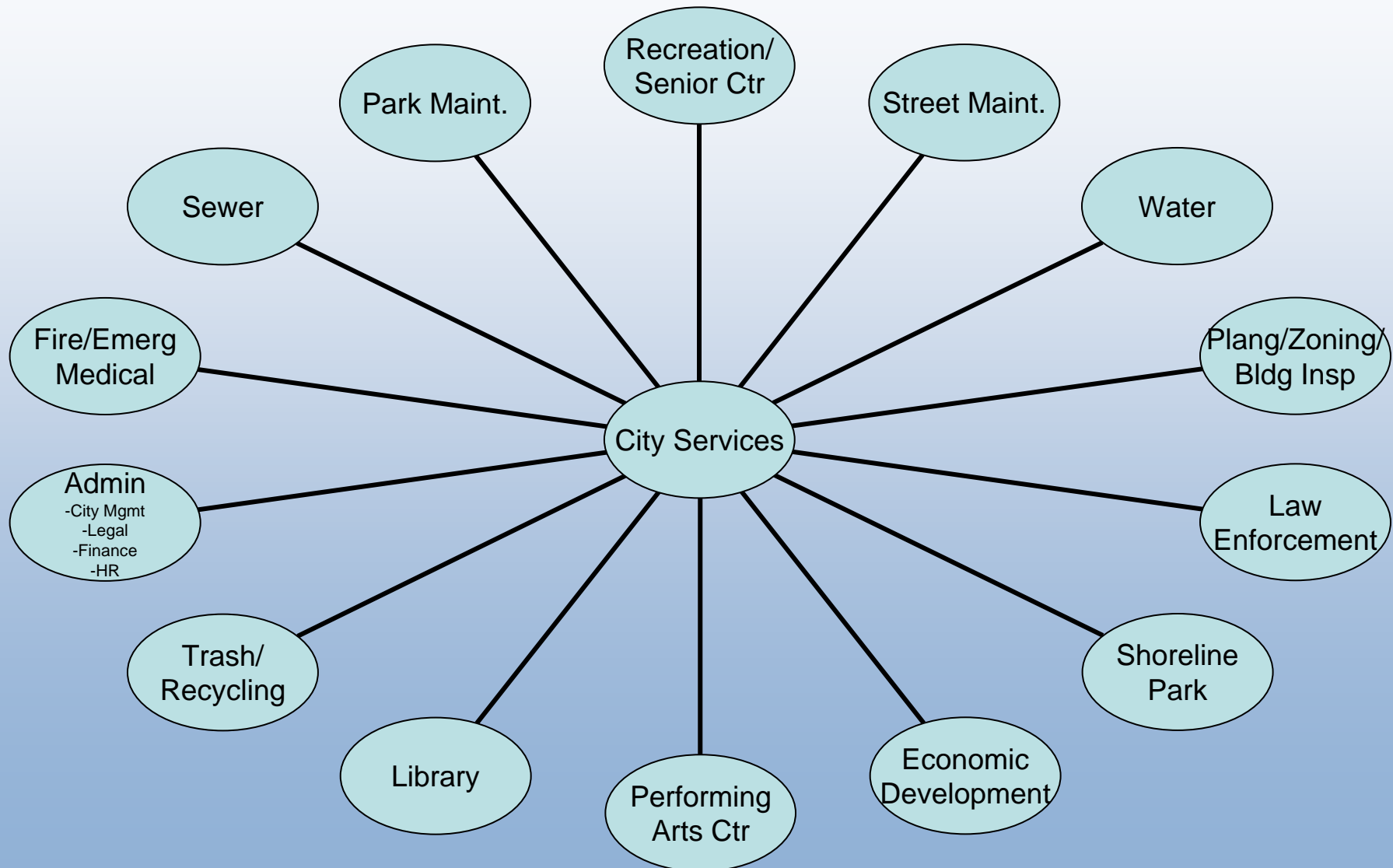


Total Fund Revenues: \$204.2 Million

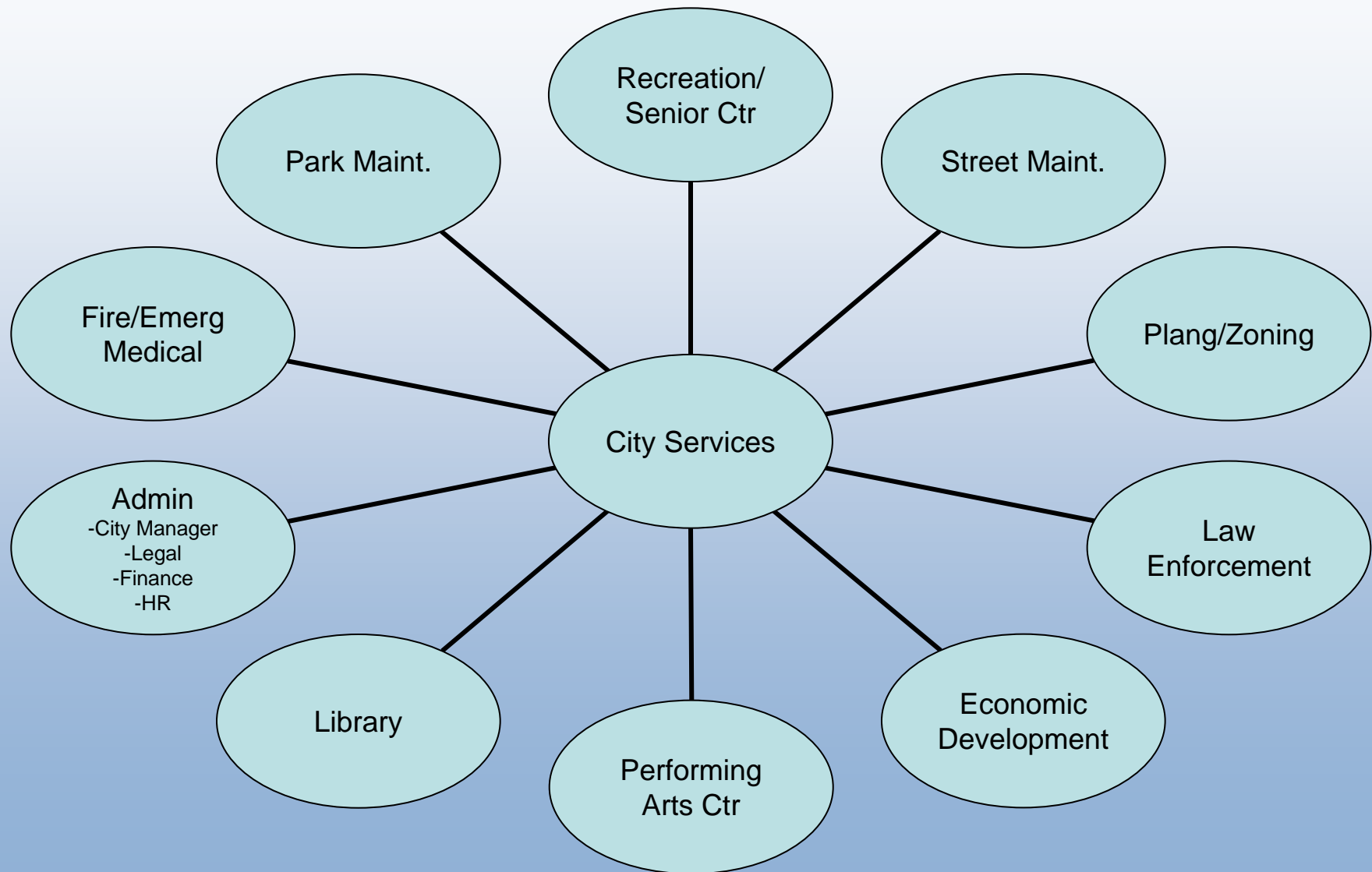
Total City Expenditures for FY09-10 (All Funds)



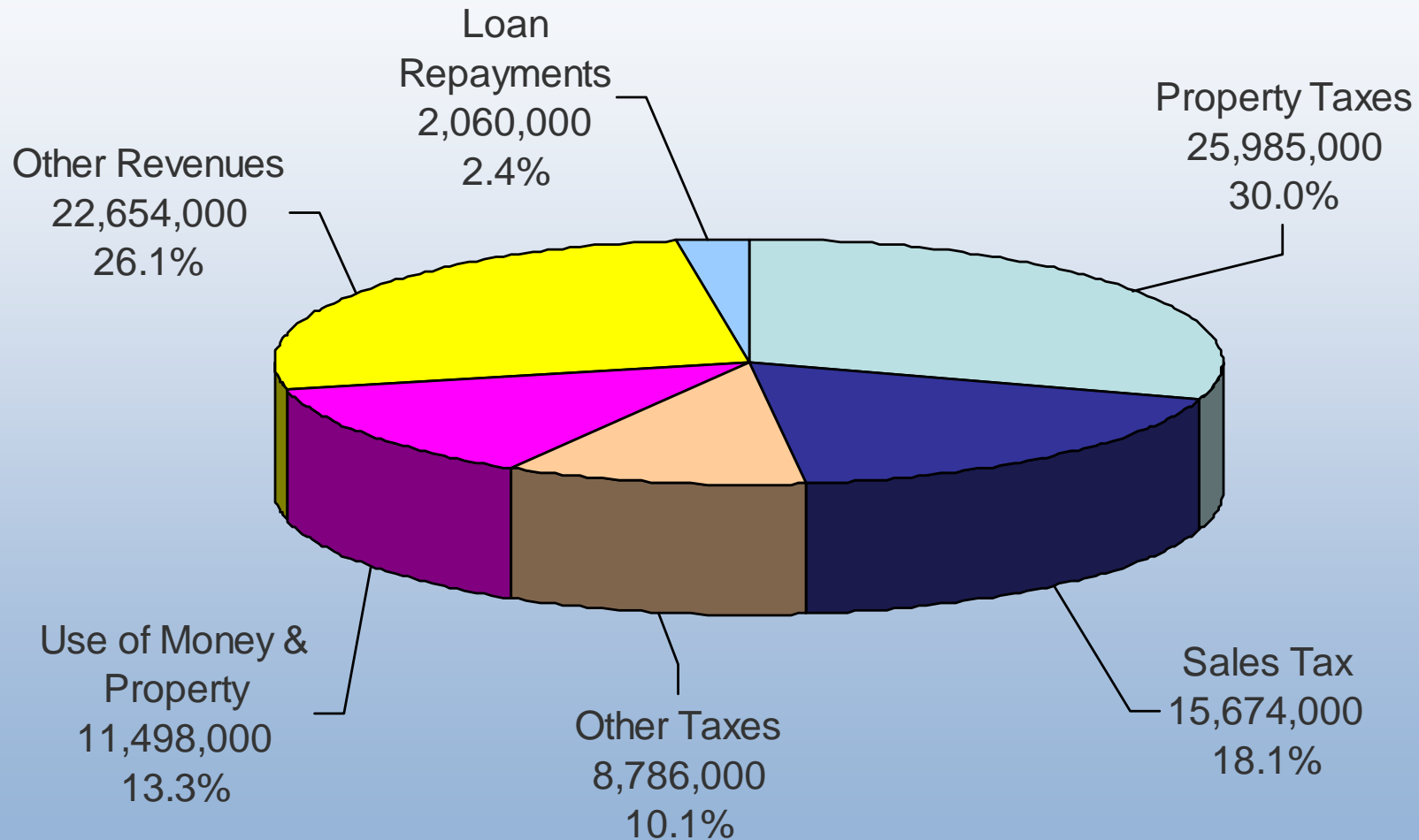
City Services



City General Fund Services



FY09-10 General Fund Revenue Sources

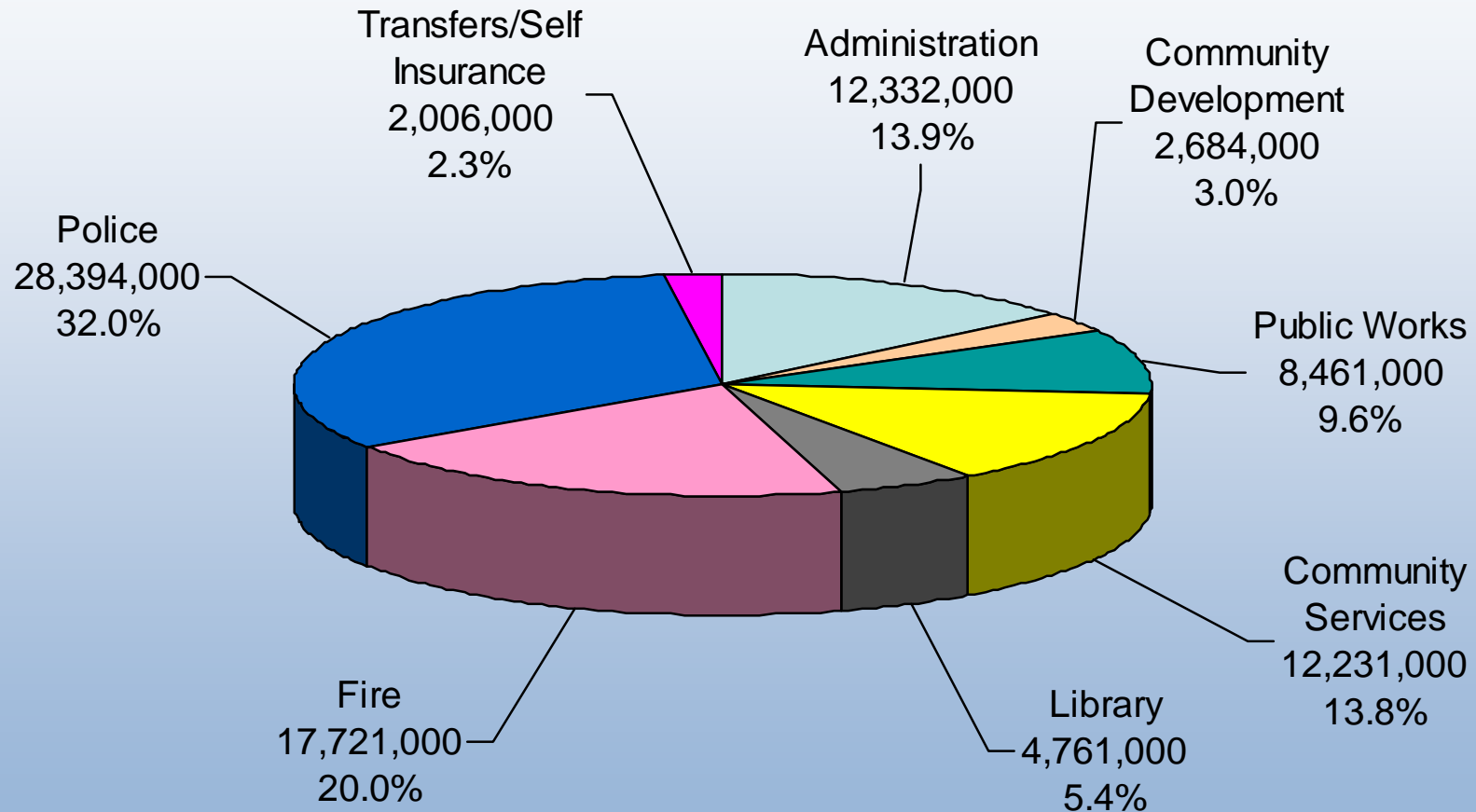


Total GF Revenues: \$88.7 Million

General Fund Revenue Sources

• Property Taxes	\$26.0 M	30.0%
- City receives 16% of 1% levy		
• Sales Tax	\$15.7 M	18.0%
- City receives 1% of taxable sales		
• Other Taxes	\$8.8 M	10.0%
- 3% Utility Users Tax (utilities and telecommunications)		
- 10% Transient Occupancy Tax		
• Use of Money & Property	\$11.5 M	13.3%
- Investment income		
- Lease of City property		
• Other Revenues	\$22.7 M	26.1%
- Federal Grants, Development Fees, Recreation Fees, etc.		
• Loan Repayments	\$2.1 M	2.4%

FY 09-10 General Fund Expenditures



Total GF Expenditures: \$88.6 Million

Excludes supplemental expenditures

General Fund Services by Department

City Attorney's Office

- Advise City officials/City staff in legal matters
- Oversee City's compliance with the Political Reform Act, Brown Act, and other related requirements
- Perform legal reviews of City documents
- Administer and manage outside legal services
- Handle City legal proceedings
- Administer the City's Code Enforcement Division

No. of Positions: 8.0

Budget: \$1.5 M

1.6% of GF

City Council/City Clerk's Office

City Council

- Legislative and policy making body
- Elected to 4-year terms

City Clerk's Office

- Oversee the City's Election process
- Document management and maintenance of official records
- Provide support to the City Council
- Responsible for City Council Agenda coordination

No. of Positions: 4.0

(plus 7.0 elected Council)

Budget: \$784,000

0.9% of GF

General Fund Services by Department

City Manager's Office

- City Council support/policy implementation
- Manages operations of the City
- Manages annual City budget process
- Manages/monitors strategic issues
- Facilitates community information and oversees community relations
 - *The View, Annual Report*
 - *Media relations, Press Releases, web content*
 - *Multi-lingual Community Outreach Program*
- Manages intergovernmental and legislative relations
- Responsible for the City's Channel 26 station and other media communications
- Focal point for the coordinated delivery of youth services and ADA matters
- Human Relations Commission and Youth Commission staff liaisons

No. of Positions: 5.85

Budget: \$1.3 M

1.4% of GF

General Fund Services by Department

Community Development Department

- Development and management of land use policies
 - *General Plan and Zoning Ordinance*
- Process development applications
- Building Inspection
- Neighborhood Preservation
- Economic Development

No. of Positions: 14.75

Budget: \$2.7 M

3.0% of GF

Community Services Department

- Recreation services
- Parks and open space maintenance
- Performing Arts operations
- Shoreline Golf Links operations
- Forestry and roadway maintenance
- Wildlife and environmental area management, restoration and enhancement

No. of Positions: 72.45

Budget: \$12.2 M

13.5% of GF

General Fund Services by Department

Employee Services Department

- Recruitment and selection of City personnel
- Benefit administration
- Labor relations
- Classification and compensation studies
- Training and professional development programs

No. of Positions: 7.50

Budget: \$1.4 M

1.5% of GF

Finance and Administrative Services Department

- Budget planning and forecasting
- Investment/portfolio management
- Utility billing
- Accounting and Accounts Payable
- Payroll
- Purchasing and Support Services
- Information Technology
- Risk Management

No. of Positions: 42.75

Budget: \$7.1 M

7.8% of GF

General Fund Services by Department

Fire Department

- Emergency response and rescue
 - *Fires*
 - *Medical emergencies*
 - *Hazardous materials incidents*
- Fire, environmental and housing code enforcement
- Citywide disaster preparedness
- Public education regarding fire, life and environmental safety issues
- Fire and hazardous materials incident investigation

No. of Positions: 80.10

Budget: \$17.7 M

19.4% of GF

Library Department

- Lending Services
 - *Books, DVDs, and Other media materials*
- Outreach and mobile library services
- Internet, catalog, and database access
- Mountain View History Center

No. of Positions: 31.75

Budget: \$4.8 M

5.2% of GF

General Fund Services by Department

Police Department

- Field Operations
 - Patrol
 - Traffic
 - Special Events
 - Animal Control
 - SROs
 - Supportive Operations
 - Records
 - Property and evidence handling and storage
 - Special Events
 - Budget
 - Dispatch/Emergency Communications
 - Office of the Chief
 - Community Information
 - Youth Services
 - Crime Analysis and Prevention
 - Investigative Services
 - Crimes versus Persons
 - Personnel and Training
 - Suppression and Support Unit
 - Property and Financial Crimes
- No. of Positions: 144.80
Budget: \$28.4 M
31.2% of GF

General Fund Services by Department

Public Works Department

- Civil engineering and design services
- Capital project management
- Construction management and inspection
- Traffic engineering
- Transportation planning
- Property acquisition, sale/lease, and management
- Graffiti and shopping cart abatement
- Street and sidewalk maintenance
- Facilities maintenance
- Fleet maintenance
- Energy conservation
- Environmental sustainability

No. of Positions: 43.62

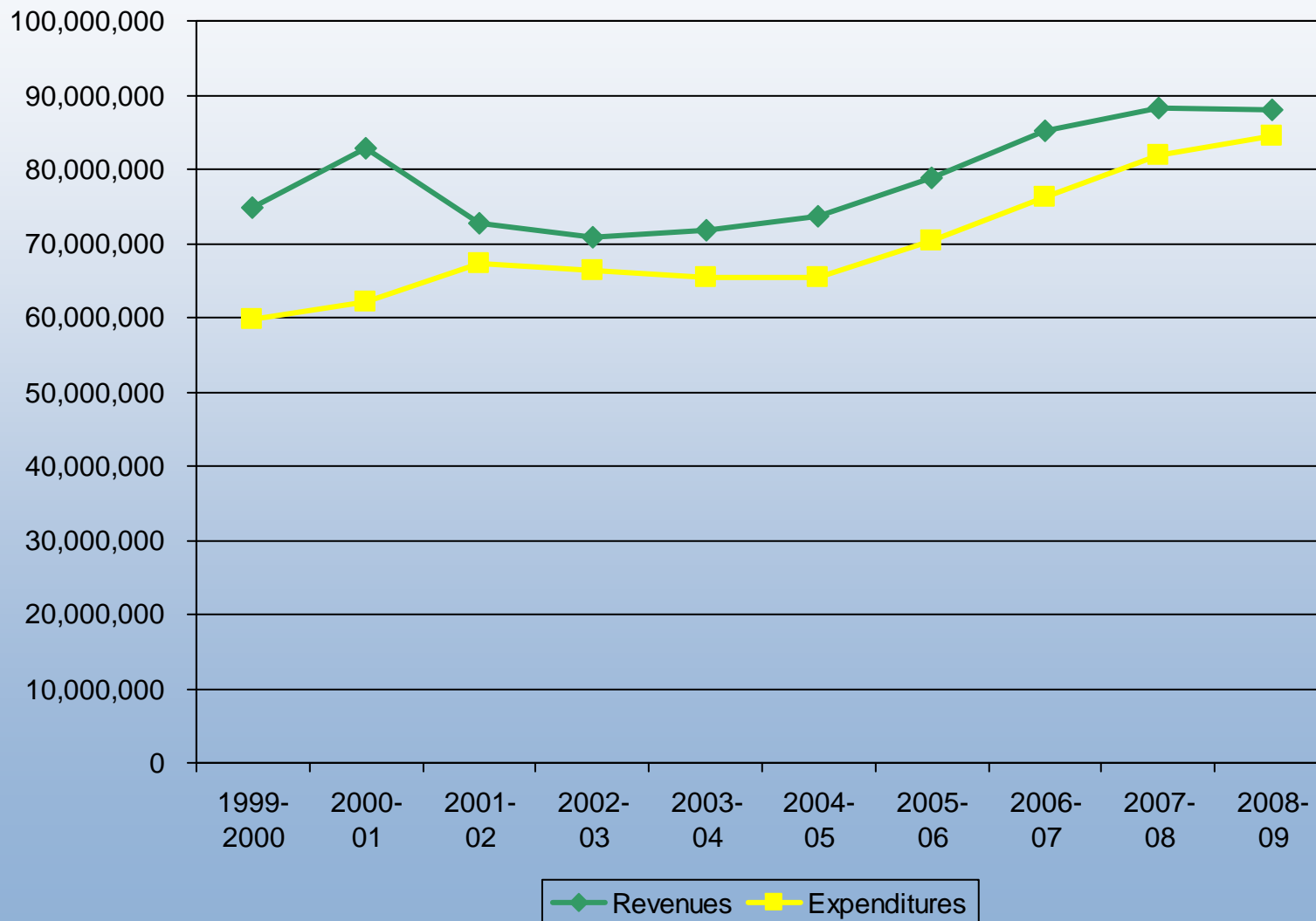
Budget: \$8.5 M

9.3% of GF

The Past, the Present and the Future

- Where we have been in the last 10 years
- Where we are now
 - Mountain View entered the economic downturn from a position of relative strength
 - Budget balanced for current FY09-10
- What we are forecasting
 - FY10-11 and beyond challenge

Prior 10 Years Revenues and Expenditures (Actuals)



Prior Year Actions

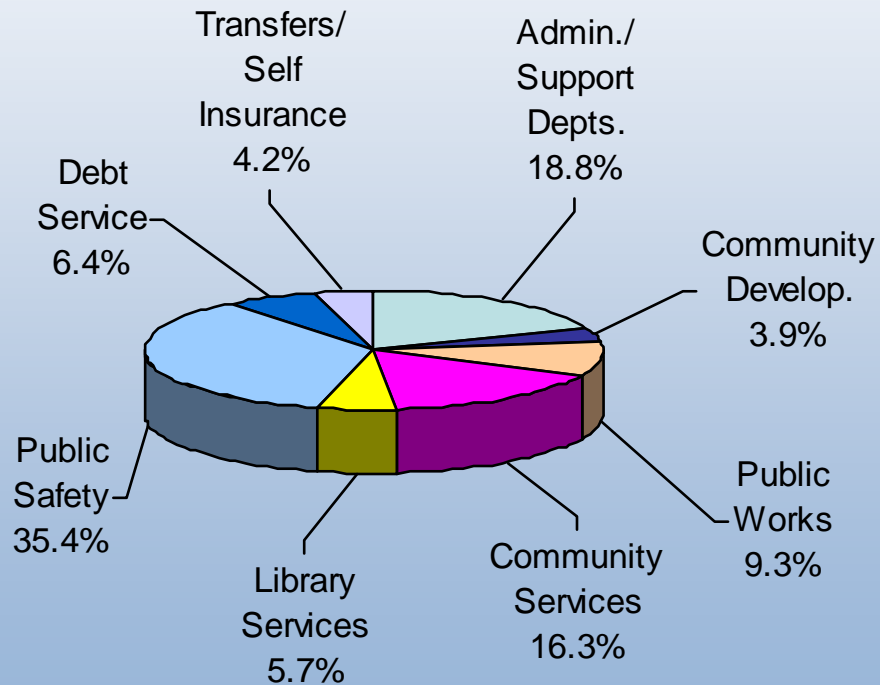
- FY02-03 through FY05-06
 - Reduced expenditures \$10.8 M (\$7.0 M depts.)
 - Eliminated 66.25 positions (58.5 General Fund)
 - Adjustment to fees \$ 2.5 M
- FY09-10
 - Reduced expenditures \$4.0 M (\$2.2 M depts.)
 - Unfunded 15.25 positions (13.0 General Fund)
 - Adjustment to fees \$190,000
 - Use of \$1.6 M in Reserves

Prior Department Reductions

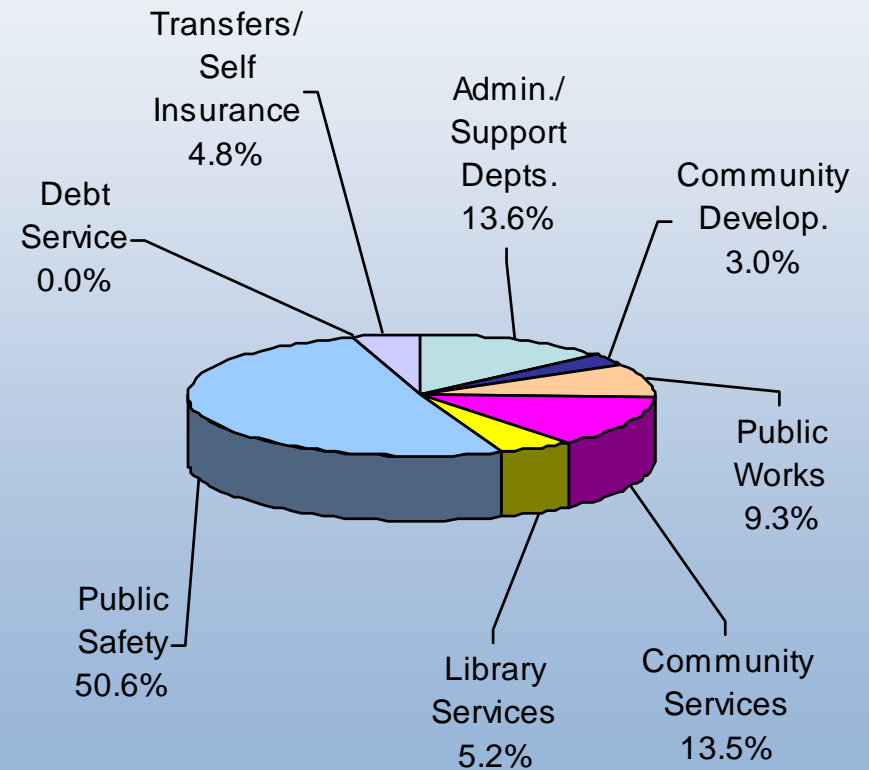
<u>Department</u>	<u>Net Reductions since FY02-03</u>	<u>%</u>
City Manager	\$ 386	27.9%
City Clerk	125	26.0%
Finance & Admin. Services	1,343	20.1%
Employee Services	225	17.2%
Library Services	702	16.5%
Public Works	1,307	15.4%
Community Development	344	12.7%
Community Services	1,279	12.5%
City Council	26	11.1%
City Attorney	124	10.4%
Police	916	4.6%
Fire	<u>259</u>	2.2%
Total	\$ 7,036	
(Dollars in Thousands)	Average Reductions	14.7% 21

General Fund Expenditure Uses

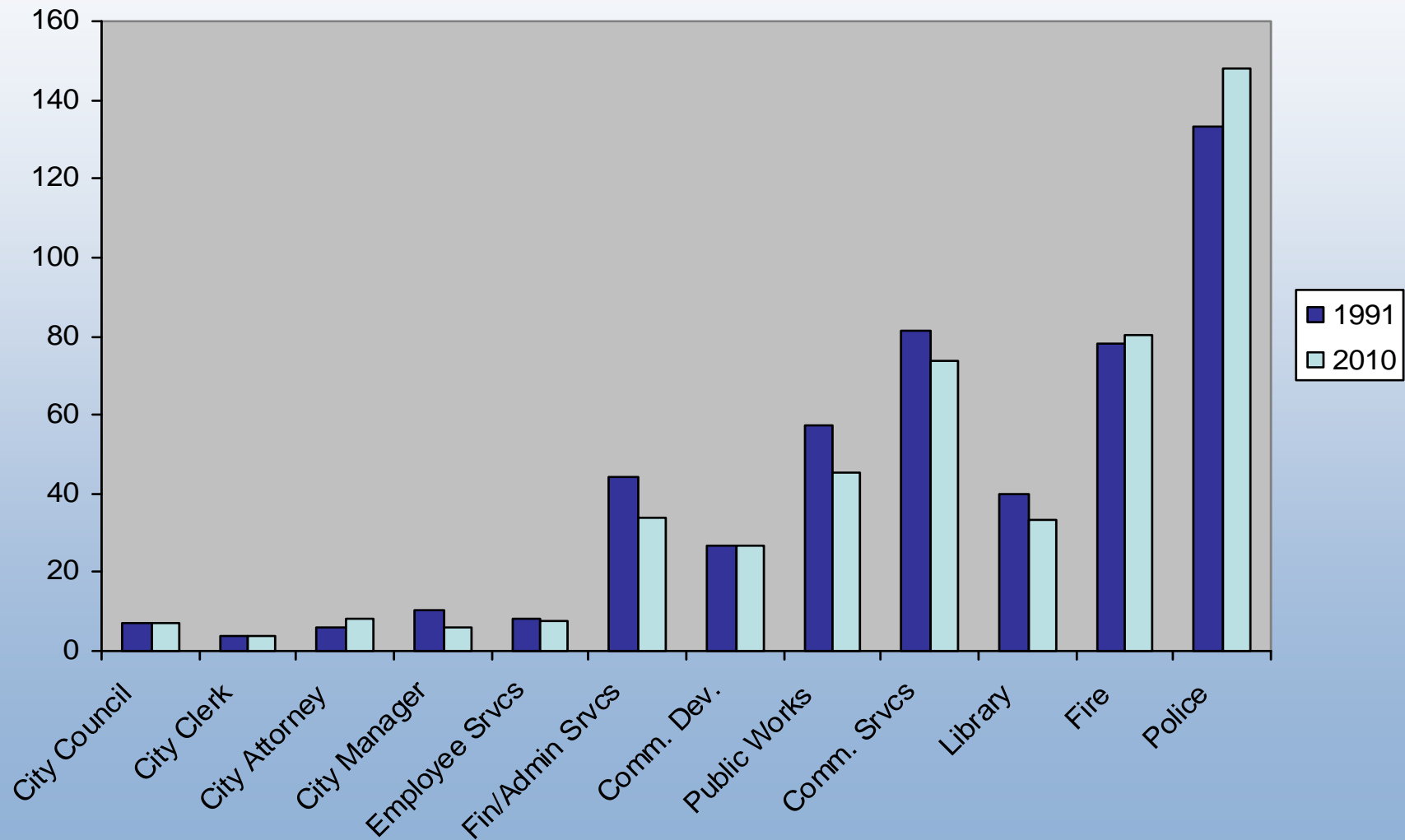
FY 1990-91



FY 2009-10



City General Fund Staffing



Adjusting to Previous Challenges

- What we have done & what the results have been
 - Flattened the organization and achieved organizational efficiencies by...
 - Eliminating management and supervisory positions
 - Eliminating clerical/support/analytical positions
 - Reduced Planning staff
 - Reduced Parks/Streets Maintenance
 - Reduced Facilities/Vehicle Maintenance
 - Reduced Performing Arts staff
 - Reduced Library staff and services
- Structurally balanced budget maintained up until FY09-10

Current Financial Status Overview

- City noted signs of the weakening economy and slowing of revenue growth in spring 2008
- Economy quickly began unraveling in summer/fall 2008
- Mountain View one of very few Cities to end FY08-09 in positive position
 - Revenues \$88.0 M (\$1.0 M less than adopted)
 - Expenditures \$84.6 M (\$3.8 less than adopted)
 - Operating balance \$2.3 M low in comparison to \$9.1 M average for past 10 years

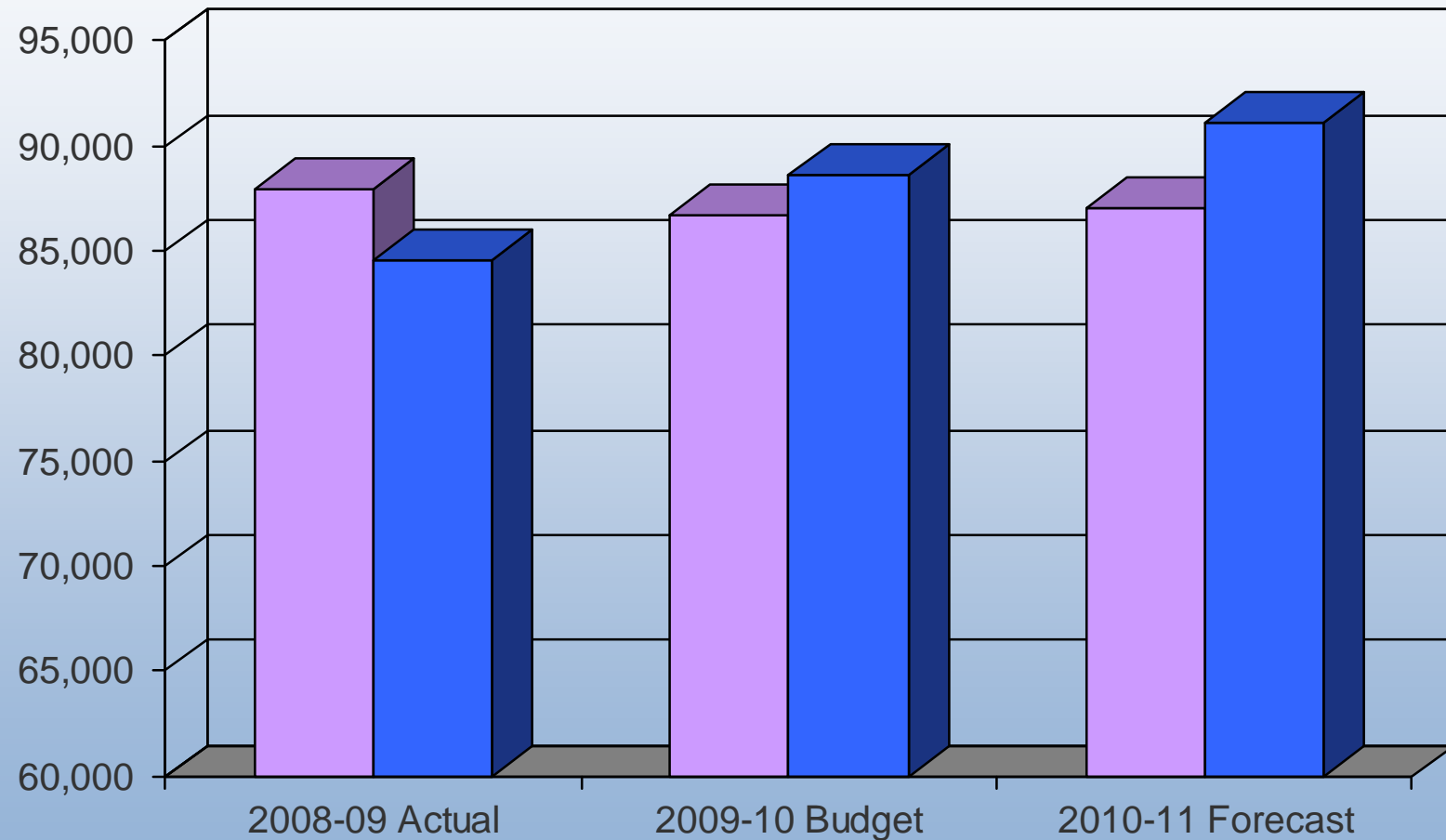
Current Financial Status Overview

(cont.)

Actions taken to bridge FY09-10 budget deficit	Associated Cost Savings
Unfunded 15.25 City positions	\$1,528,000
Reduction in services and supplies	\$614,000
Transferred \$1.0 M Civic Center debt to the Construction/Conveyance Tax Fund	\$1,019,000
Salary savings for non-safety vacant positions	\$300,000
Reduction in new capital equipment funding	\$200,000
Fee modifications	\$190,000
Employee Concessions (also FY10-11 \$852,000)	\$377,000
Budget balanced with Reserves	<u>\$1,609,000</u>
Total	<u>\$5,837,000</u>

Current Financial Status Overview

(cont.)



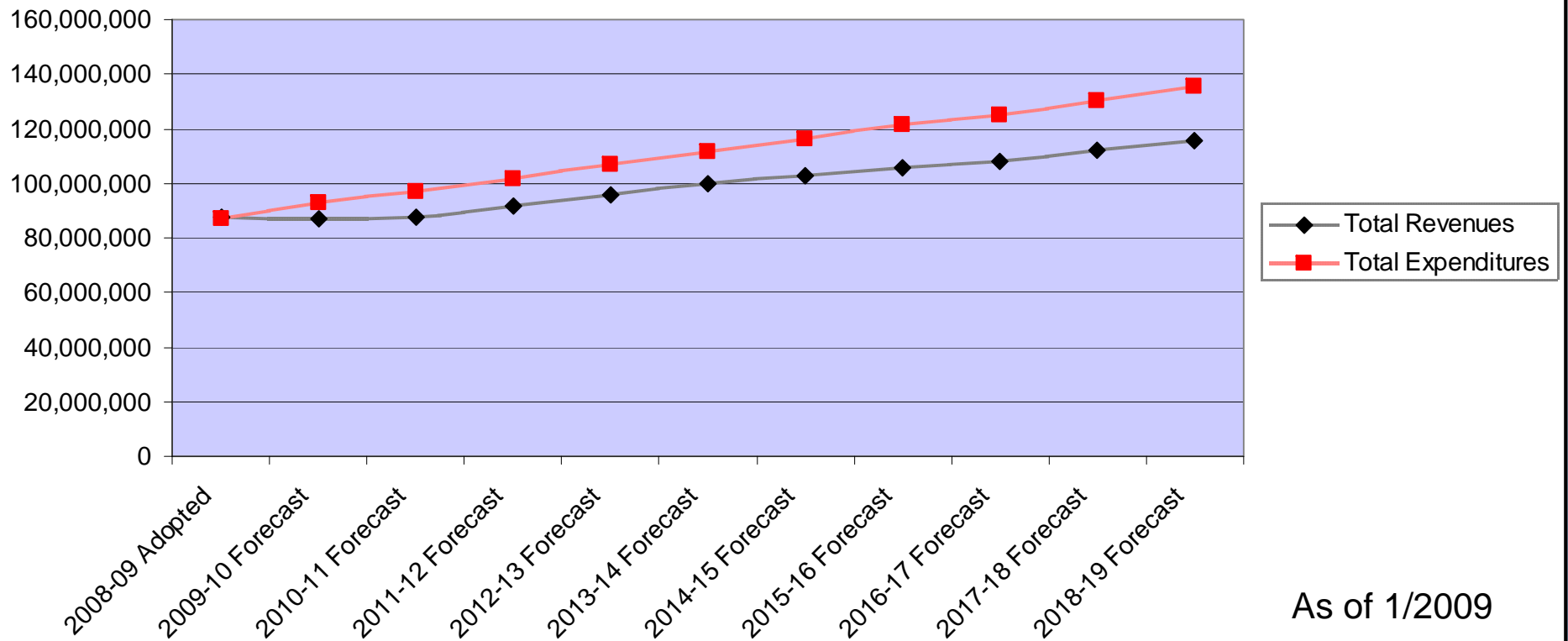
(Dollars in Thousands)

Revenues Expenditures

As of 9/2009

General Fund Long-Range Financial Forecast

General Operating Fund Forecast



Challenges Facing Next Fiscal Year and Beyond

- Declining revenues
- Increasing expenditures (personnel costs)
- Maintaining current service levels
- Maintaining City facilities/infrastructure
- Maintaining a structurally balanced budget

Goal

A Structurally Balanced Budget

- Definition:
 - Operating Revenues greater than or equal to Operating Expenditures
- Short Term vs. Long Term Strategies

Structural Budget Balancing

Two Approaches

- Expenditure reductions
- Revenue enhancements

Immediate Priority

- Structurally balance the FY10-11 budget

Longer Term Priority

- Future strategies to stabilize the General Operating Fund

Examples of Expenditure Reduction Measures

- Consolidation of functions and duties
- Consolidation of programs
- Reductions to or elimination of services
- Alternative service delivery methods (contracting out or joint service delivery with other jurisdictions)
- Containment of employee compensation and benefit costs

Examples of Revenue Enhancement Measures

- Establish new fees for services
- Increase fees for existing services
- Establish specific purpose assessment districts
- Economic Development strategies
- Tax increases

Key Considerations

- Many approaches for maintaining a structurally balanced budget may take multiple years to implement
- Additional reductions in some programs may make those programs unsustainable
- Level of services could be significantly impacted

Next Steps

Accelerated Budget Schedule

January budget proposals

June Budget Adoption

Information Sources

City's website www.mountainview.gov

E-mail updates citybudgetinfo@mountainview.gov

City Budget Information Line (650) 903-6656

Input Opportunities

QUESTIONS AND ANSWERS
